

NOTICE OF PROPOSED CHANGES IN REGULATIONS OF THE
CALIFORNIA DEPARTMENT OF SOCIAL SERVICES (CDSS)

ITEM # 1 Changes to Trustline

CDSS hereby gives notice of the proposed regulatory action(s) described below. Any person interested may present statements or arguments orally or in writing relevant to the proposed regulations at a public hearing to be held November 29, 2006, as follows:

November 29, 2006
Office Building # 9
744 P St. Auditorium
Sacramento, California

The public hearing will convene at 10:00 a.m. and will remain open only as long as attendees are presenting testimony. The Department will adjourn the hearing immediately following the completion of testimony presentations. The above-referenced facility is accessible to persons with disabilities. If you are in need of a language interpreter at the hearing (including sign language), please notify the Department at least two weeks prior to the hearing.

Statements or arguments relating to the proposals may also be submitted in writing, e-mail, or by facsimile to the address/number listed below. All comments must be received by 5:00 p.m. on November 29, 2006.

CDSS, upon its own motion or at the instance of any interested party, may adopt the proposals substantially as described or may modify such proposals if such modifications are sufficiently related to the original text. With the exception of nonsubstantive, technical, or grammatical changes, the full text of any modified proposal will be available for 15 days prior to its adoption to all persons who testify or submit written comments during the public comment period, and all persons who request notification. Please address requests for regulations as modified to the agency representative identified below.

Copies of the express terms of the proposed regulations and the Initial Statement of Reasons are available from the office listed below. This notice, the Initial Statement of Reasons and the text of the proposed regulations are available on the internet at <http://www.dss.cahwnet.gov/ord>. Additionally, all the information which the Department considered as the basis for these proposed regulations (i.e., rulemaking file) is available for public reading/perusal at the address listed below.

Following the public hearing, copies of the Final Statement of Reasons will be available from the office listed below.

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CHAPTERS

California Department of Social Services, Manual of Policies and Procedures, Chapter 47-200 (Stage One Child Care Eligibility), Section 47-260 (Eligible Providers); Chapter 47-300 (Responsibilities of the County), Section 47-301 (Administration of Child Care Services); Chapter 47-400 (Payment for Child Care Services), Section 47-430 (Retroactive Payments); and Chapter 47-600 (Trustline Registry and Health and Safety Requirements), Sections 47-601 (Introduction to Trustline Registry and Health and Safety Requirements for CalWORKs License-Exempt Child Care Providers), 47-602 (Definitions), 47-610 (Trustline Registry Payment Eligibility for License-Exempt Child Care Providers), 47-620 (Trustline Registry Application Requirements), and 47-630 (Health and Safety Requirements for License-Exempt Child Care Providers).

INFORMATIVE DIGEST/POLICY STATEMENT OVERVIEW

Existing statute requires license-exempt child care providers who receive compensation for services provided for a CalWORKs recipient to be Trustline registered before payment commences. However, current regulations are inconsistent with that policy and, instead, state that payment shall be issued once a provider applies for Trustline registration.

Existing regulations also allow license-exempt providers to be paid to provide child care services for up to 28 days without having submitted their completed Trustline application. While this allows parents to meet their welfare-to-work goals without delay, it does not provide adequate safeguards for the children receiving care. When the Trustline Registry and background check process became part of CalWORKs child care, it was necessary to allow providers a period of time to submit their application and fingerprints. Therefore, 28 days was allowed for the provider to make their fingerprinting appointment, complete the application forms and ensure that all required documents were submitted to the local resource and referral agency. However, program improvements and automation of submitting the application and fingerprints have reduced the need for the 28 day time period.

The proposed regulation changes will require child care providers to turn in a completed Trustline application no later than the seventh day after CalWORKs child care services begin. By doing so, the proposed regulation changes will increase the protection of children being cared for by license-exempt providers.

To bring actual practice into line with statutory requirements, increase child safety efforts, and balance the challenges with competing priorities of Welfare-to-Work requirements and parental choice, the following changes are being proposed to clarify and add/delete language to existing regulations: 1) require that Trustline applications be submitted no later than the seventh day from the date child care services began; 2) change the Trustline process to require clearance before child care subsidy payments can be made; and 3) allow a reimbursement payment period of up to 60 calendar days for CalWORKs child care services rendered by a provider who is Trustline registered.

COST ESTIMATE

1. Costs or Savings to State Agencies: Costs are minor and absorbable.
2. Costs to Local Agencies or School Districts: None.

3. Nondiscretionary Costs or Savings to Local Agencies: None.
4. Federal Funding to State Agencies: Costs are minor and absorbable.

LOCAL MANDATE STATEMENT

These regulations do impose a mandate upon local agencies, but not upon school districts. The mandate is not required to be reimbursed pursuant to Part 7 (commencing with Section 175000) of Division 4 of the Government Code or Article XIII B, Section 6 of the California constitution, because implementation of the regulations will result in no costs.

STATEMENT OF SIGNIFICANT ADVERSE ECONOMIC IMPACT ON BUSINESS

CDSS has made an initial determination that the proposed action will not have a significant, statewide adverse economic impact directly affecting businesses, including the ability of California businesses to compete with businesses in other states.

STATEMENT OF POTENTIAL COST IMPACT ON PRIVATE PERSONS OR BUSINESSES

The CDSS is not aware of any cost impacts that a representative private person or business would necessarily incur in reasonable compliance with the proposed action.

SMALL BUSINESS IMPACT STATEMENT

CDSS has determined that there is no impact on small businesses as a result of filing these regulations because these regulations are only applicable to state and county agencies.

ASSESSMENT OF JOB CREATION OR ELIMINATION

The adoption of the proposed amendments will neither create nor eliminate jobs in the State of California nor result in the elimination of existing businesses or create or expand businesses in the State of California.

STATEMENT OF EFFECT ON HOUSING COSTS

The proposed regulatory action will have no effect on housing costs.

STATEMENT OF ALTERNATIVES CONSIDERED

The following are the alternatives considered to this proposal:

1. To continue current practices and allow payments for up to 28 days prior to submitting the Trustline application. This alternative was rejected due to the fact that it did not meet the Department's goal of increasing protections to children receiving care from license exempt providers.
2. The second option was to disallow payment of Trustline providers for any period of care occurring before they become registered. This alternative was rejected because it is unlikely that providers would be willing to provide care without the possibility of eventual payment. This could result in parents being unable to participate in their welfare to work activities.
3. Another alternative was to conduct a brief preliminary background check using CLETS or CACI. However, only entities with peace officer designations have access to those systems and only for situations specifically identified as "urgent".

AUTHORITY AND REFERENCE CITATIONS

CDSS adopts these regulations under the authority granted in Welfare and Institutions Code Sections 10553, 10554, 10604, and 11324. Subject regulations implement and make specific Welfare and Institutions Code Sections 1596.60(c), 1596.605(b), 1596.66(a), 1596.67(a), 1596.792, and 1596.871(f) and Education Code Section 8358(a).

CDSS REPRESENTATIVE REGARDING RULEMAKING PROCESS OF THE PROPOSED REGULATION

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AGENDA ITEM(S) FOR THIS PUBLIC HEARING -- NOVEMBER 29, 2006

ITEM #1 ORD #0906-07 -- Changes to Trustline

ITEM #2 ORD #0905-15 -- Crisis Nurseries SB 855 (Chapter 664, Statutes of 2004)